MESSAGE NO: 5333111 MESSAGE DATE: 11/29/1994

MESSAGE STATUS: Active CATEGORY: Countervailing

TYPE: PRE-Preliminary PUBLIC NON-PUBLIC

SUB-TYPE:

FR CITE: FR CITE DATE:

REFERENCE MESSAGE #

(s):

CASE #(s): C-475-815

EFFECTIVE DATE: COURT CASE #:

PERIOD OF REVIEW: TO

PERIOD COVERED: 11/28/1994 TO

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Notice of Lifting of Suspension Date:

TO: { Directors Of Field Operations, Port Directors }

FROM: { Director AD/CVD & Revenue Policy & Programs }

RE: PRELIMINARY AFFIRMATIVE CVD DETERMINATION: SMALL DIAMETER CIRCULAR SEAMLESS CARBON & ALLOY STEEL STANDARD, LINE & PRESSURE ("SEAMLESS PIPE") FM ITALY (C-475-815)

MESSAGE NO: 5333111 DATE: 11 29 1994

CATEGORY: CVD TYPE: PRE

REFERENCE: REFERENCE DATE:

CASES: C - 475 - 815 - -

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PERIOD COVERED: 11 28 1994 TO

LIQ SUSPENSION DATE:

TO: REGIONAL DIRECTORS, COMMERCIAL OPERATIONS DISTRICT DIRECTORS, AREA AND PORT DIRECTORS

FROM: DIRECTOR, TRADE COMPLIANCE DIVISION

RE: PRELIMINARY AFFIRMATIVE CVD DETERMINATION: SMALL DIAMETER CIRCULAR SEAMLESS CARBON & ALLOY STEEL STANDARD, LINE & PRESSURE ("SEAMLESS PIPE") FM ITALY (C-475-815)

1. THE DEPARTMENT OF COMMERCE PUBLISHED ON NOVEMBER 28, 1994 ITS
PRELIMINARY DETERMINATION OF COUNTERVAILING DUTY INVESTIGATION
REGARDING SMALL DIAMETER CIRCULAR SEAMLESS CARBON AND ALLOY STEEL

STANDARD, LINE AND PRESSURE PIPE FROM ITALY.

2. THE PRODUCTS COVERED BY THIS INVESTIGATION ARE SEAMLESS
PIPES, WHICH ARE SEAMLESS CARBON AND ALLOY (OTHER THAN STAINLESS)
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STEEL PIPES, OF CIRCULAR CROSS-SECTION, NOT MORE THAN 114.3 MM (4.5 INCHES) IN OUTSIDE DIAMETER, REGARDLESS OF WALL THICKNESS, MANUFACTURING PROCESS (HOT-FINISHED OR COLD-DRAWN), END FINISH (PLAIN END, BEVELLED END, UPSET END, THREADED, OR THREADED AND COUPLED), OR SURFACE FINISH. THESE PIPES ARE COMMONLY KNOWN AS STANDARD PIPE, LINE PIPE, OR PRESSURE PIPE DEPENDING UPON THE APPLICATION. THEY MAY ALSO BE USED IN STRUCTURAL APPLICATIONS. THE SEAMLESS PIPES SUBJECT TO THIS INVESTIGATION ARE CURRENTLY CLASSIFIABLE UNDER SUBHEADINGS 7304.10.1020, 7304.10.5020, 7304.31.6050, 7304.39.0016, 7304.39.0020, 7304.39.0024, 7304.39.0028, 7304.39.0032, 7304.51.5005, 7304.51.5060, 7304.59.8020 OF THE HARMONIZED TARIFF SCHEDULE OF THE UNITED STATES ("HTSUS").

THE FOLLOWING INFORMATION FURTHER DEFINES THE SCOPE OF THIS INVESTIGATION, WHICH COVERS PIPES MEETING THE PHYSICAL PARAMETERS DESCRIBED ABOVE.

SPECIFICATIONS, CHARACTERISTICS, AND USES:
SEAMLESS PRESSURE PIPES ARE INTENDED FOR THE CONVEYANCE OF WATER.

STEAM, PETROCHEMICALS, CHEMICALS, OIL PRODUCTS, NATURAL GAS, AND OTHER LIQUIDS AND GASSES IN INDUSTRIAL PIPING SYSTMS. THEY MAY CARRY THESE SUBSTANCES AT ELEVATED PRESSURES AND TEMPERATURES AND

MAY BE SUBJECT TO THE APPLICATION OF EXTERNAL HEAT. SEAMLESS CARBON STEEL RESSURE PIPE MEETING THE AMERICAN SOCIETY FOR TESTING AND MATERIALS (ASTM) STANDARD A-106 MAYBE USED IN TEMPERATURES OF UP TO 1000 DEGREES FAHRENHEIT, AT VARIOUS AMERICAN SOCIELY OF ENGINEERS (ASME) CODE STRESS LEVELS. ALLOY PIPES MADE TO ASTM STANTARD A-335 MUST BE USED IF TEMPERATURES AND STRESS LEVELS EXCEED THOSE ALLOWED FOR A-106 AND THE ASME CODES. SEAMLESS PRESSURE PIPES SOLD IN THE UNITED STATES ARE COMMONLY PRODUCED TO THE ASTM-106 STANDARD.

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A-53 SPECIFICATION AND GENERALLY ARE NOT INTENDED FOR HIGH TEMPERATURE SERVICE. THEY ARE INTENDED FOR THE LOW TEMPERATURE AND PRESSURE CONVEYANCE OF WATER, STEAM, NATURAL GAS, AIR AND OTHER LIQUIDS AND GASSES IN PLUMBING AND HEATING SYSTEMS, AIR CONDITIONING UNITS, AUTOMATIC SPRINKLER SYSTEMS, AND OTHER RELATED USES. STANDARD PIPES (DEPENDING ON TYPE AND CODE) MAY CARRY LIQUIDS AT ELEVATED TEMPERATURES BUT MUST NOT EXCEED RELEVANT ASME CODE REQUIREMENTS.

SEAMLESS LINE PIPES ARE INTENDED FOR THE CONVEYANCE OF OIL AND NATURAL GAS OR OTHER FLUIDS IN PIPE LINES. SEAMLESS LINE PIPES ARE PRODUCED TO THE API 5L SPECIFICATION.

SEAMLESS PIPES ARE COMMONLY PRODUCED AND CERTIFIED TO MEET ASTM A-106, ASTM A-53, AND API 5L SPECIFICATIONS. SUCH TRIPLE CERTIFICATIONS OF PIPES IS COMMON BECAUSE ALL PIPES MEETING THE STRINGENT A-106 SPECIFICATION NECESSARILY MEET THE API 5L SPECIFICATION AND ASTM A-53 SPECIFICATIONS. PIPES MEETING THE API 5L SPECIFICATION NECESSARILY MEET THE ASTM A-53 SPECIFICATION. HOWEVER, PIPES MEETING THE A-53 OR API 5L SPECIFICATIONS DO NOT NECESSARILY MEET THE A-106 SPECIFICATION. TO AVOID MAINTAINING SEPARATE PRODUCTIONS RUNS AND SEPARATE INVENTORIES, MANUFACTURERS TRIPLE CERTIFY THE PIPES. SINCE DISTRIBUTORS SELL THE VAST MAJORITY OF THIS PRODUCT, THEY CAN THEREBY MAINTAIN A SINGLE INVENTORY TO SERVICE ALL CUSTOMERS.

THE PRIMARY APPLICATION OF ASTM A-106 PRESSURE PIPES AND TRIPLE CERTIFIED PIPES IS IN PRESSURE PIPING SYSTEMS BY REFINERIES, PETROCHEMICAL PLANTS, AND CHEMICAL PLANTS. OTHER APPLICATIONS ARE IN POWER GENERATION PLANTS (ELECTRICAL-FOSSIL FUEL OR NUCLEAR), AND IN SOME OIL FIEL USES (ON SHORE AND OFF SHORE) SUCH AS FOR SEPERATOR LINES, GATHERING LINES, AND METERING RUNS. A

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MINOR APPLICATION OF THIS PRODUCT IS FOR USE AS OIL AND GAS DISTRIBUTION LINE FOR COMMERCIAL APPLICATIONS. THESE APPLICATIONS CONSTITUTE THE MAJORITY OF THE MARKET FOR THE SUBJECT SEAMLESS PIPES. HOWEVER, A-106 PIPES MAY BE USED IN SOME BOILER APPLICATIONS.

THE SCOPE OF THIS INVESTIGATION INCLUDES ALL MULTIPLE-STENCILED SEAMLESS PIPE MEETING THE PHYSICAL PARAMETERS DESCRIBED ABOVE AND PRODUCED TO ONE OF THE SPECIFICATIONS LISTED ABOVE, WHETHER OR NOT ALSO CERTIFIED TO A NON-COVERED SPECIFICATION. STANDARD, LINE AND PRESSURE APPLICATIONS ARE DEFINING CHARACTERISTICS OF TH SCOPE OF THIS INVESTIGATION. THEREFORE, SEAMLESS PIPES MEETING THE PHYSICAL DESCRIPTION ABOVE, BUT NOT PRODUCED TO THE A-106, A-53, OR API 5L STANDARDS SHALL BE COVERED IF USED IN AN A-106, A-335, A-53, OR API 5L APPLICATION.

FOR EXAMPLE, THERE ARE CERTAIN OTHER ASTM SPECIFICATIONS OF PIPE WHICH, BECAUSE OF OVERLAPPING CHARACTERISTCS, COULD POTENTIALLY BE USED IN A-106 APPLICATIONS. THESE SPECIFICATIONS INCLUDE A-162, A-192, A-210, A-333, AND A-524. WHEN SUCH PIPES ARE USED IN A STANDARD, LINE OR PRESSURE PIPE APPLICATION, SUCH PRODUCTS ARE COVERED BY THE SCOPE OF THIS INVESTIGATION.

SPECIFICALLY EXCLUDED FROM THIS INVESTIGATION ARE BOILER TUBING, MECHANICAL TUBING, AND OIL COUNTRY TUBULAR GOODS EXCEPT WHEN USED

IN A STANDARD, LINE OR PRESSURE PIPE.APPLICATION. ALSO EXCLUDED FROM THIS INVESTIGATION ARE REDRAW HOLLOWS FOR COLD-DRAWING WHEN

USED IN THE PRODUCTION OF COLD-DRAWN PIPE OR TUBE.

ALTHOUGH THE HTSUS SUBHEADINGS ARE PROVIDED FOR CONVENIENCE AND

CUSTOMS PURPOSES, OUR WRITTEN DESCRIPTION OF THE SCOPE OF THIS INVESTIGATION IS DISPOSITIVE.

3. FOR FURTHER REPORTING PURPOSES, THIS CASE HAS BEEN ASSIGNED THE FOLLOWING CASE NUMBER C475-815.

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4. THE U.S. CUSTOMS SERVICE SHALL SUSPEND LIQUIDATION OF ALL ENTRY SUMMARIES OF SMALL DIAMETER CIRCULAR SEAMLESS CARBON AND ALLOY STEEL STANDARD, LINE AND PRESSURE PIPE ("SEAMLESS PIPE") FROM ITALY WHICH ARE ENTERED OR WITHDRAWN FROM WAREHOUSE, FOR CONSUMPTION ON OR AFTER NOVEMBER 28, 1994. EFFECTIVE NOVEMBER 28, 1994, CUSTOMS SHALL REQUIRE A CASH DEPOSIT OR BOND FOR SUCH ENTRY SUMMARIES OF THE MERCHANDISE AS FOLLOWS:

MANUFACTURERS/PRODUCERS/ CUSTOMS ID MARGIN/ EXPORTERS NUMBER PERCENT

COUNTRY WIDE C-475-815-000 1.42%

- 5. IF THERE ARE ANY QUESTIONS REGARDING THIS MATTER BY CUSTOMS OFFICERS, PLEASE CONTACT VIA E-MAIL, THROUGH THE REGIONAL AD/CVD COORDINATOR, TRADE COMPLIANCE DIVISION, AD/CVD BRANCH USING ATTRIBUTE "HQ OAB". THE IMPORTING PUBLIC AND OTHER INTERESTED PARTIES SHOULD CONTACT THOMAS MCGINTY OR PETER WILKNISS, OFFICE OF COUNTERVAILING INVESTIGATIONS, IMPORT ADMINISTRATION, INTERNATIONAL TRADE ADMINISTRATION, U.S. DEPARTMENT OF COMMERCE, TELEPHONE (202) 482-5055 AND (202) 482-0588 RESPECTIVELY.
- 6. THERE ARE NO RESTRICTIONS ON THE RELEASE OF THIS INFORMATION.

NANCY MCTIERNAN

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Company Details

*Party Indicator Value:

I = Importer, M = Manufacturer, E = Exporter, S = Sold To Party